

COMPACT GOAL

The five-year \$362.6 million Lesotho Compact is designed to: 1) Increase the availability of water for households and industrial use; 2) Test watershed management and conservation methods; 3) Rehabilitate health infrastructure and strengthen health systems; and 4) Remove barriers to foreign and local private sector investment.

COMPACT AT A GLANCE

Compact Signed	07-23-2007
Entry Into Force	09-17-2008
Compact End Date	09-17-2013
Compact Total	\$362,551,000
Amount Committed	\$311,141,656
Amount Expended	\$219,826,699
Estimated Program Beneficiaries	1,041,422
Estimated Increase in Household Income	\$376,000,000

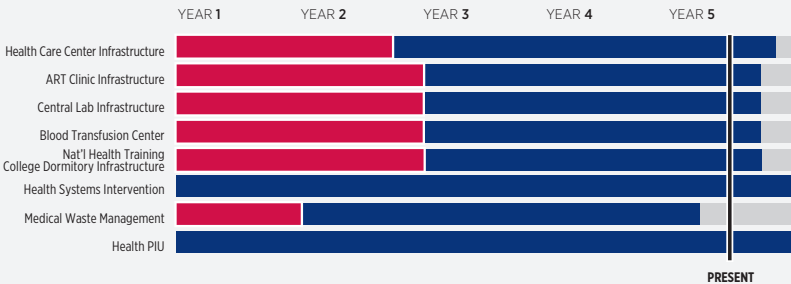
% OF TOTAL COMPACT BUDGET (USD MILLIONS)

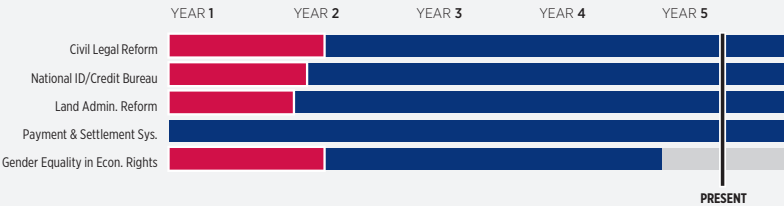
46%	Water Project	\$167.8
33%	Health Project	\$121.3
8%	Private Sector Development Project	\$27.3
11%	Program Administration	\$38.0
2%	Monitoring and Evaluation	\$7.8



■ Project Preparation ■ Project Implementation

Water Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES ¹																																																				
	\$167,886,999	\$150,573,319	\$90,036,334																																																				
<p>This project seeks to improve the water supply for industrial and domestic users by providing essential infrastructure, water system upgrades, and watershed management. The project is also designed to enhance rural livelihoods through improved water availability.</p> <p>Projected Long-Term Results (Up to 20 years)</p> <table><tr><td>ESTIMATED BENEFICIARIES</td><td>ESTIMATED INCREASE IN HOUSEHOLD INCOME</td></tr><tr><td>236,874</td><td>\$173,000,000</td></tr></table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	236,874	\$173,000,000	<table><tr><th></th><th>YEAR 1</th><th>YEAR 2</th><th>YEAR 3</th><th>YEAR 4</th><th>YEAR 5</th></tr><tr><td>Metolong Dam Bulk Water Conveyance System</td><td colspan="5"></td></tr><tr><td>Metolong Dam Program Mgmt. Unit</td><td colspan="5"></td></tr><tr><td>Urban & Peri-Urban Water Infrastructure</td><td colspan="5"></td></tr><tr><td>WASA Proj. Implementation Unit</td><td colspan="5"></td></tr><tr><td>Rural Water Supply & Sanitation Infrastructure</td><td colspan="5"></td></tr><tr><td>Wetlands Restoration & Conservation</td><td colspan="5"></td></tr><tr><td></td><td colspan="5">PRESENT</td></tr></table>				YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	Metolong Dam Bulk Water Conveyance System						Metolong Dam Program Mgmt. Unit						Urban & Peri-Urban Water Infrastructure						WASA Proj. Implementation Unit						Rural Water Supply & Sanitation Infrastructure						Wetlands Restoration & Conservation							PRESENT				
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	<p>PROJECTED RESULTS BY END OF COMPACT</p> <p>Reduced school days lost due to waterborne diseases from 24 days to 12 days; Increased rural household access to improved latrines and improved water supply; Delivery of reliable water services to urban and peri-urban households.</p>	<p>PROGRESS TO DATE</p> <p>The Metolong Water Treatment Works construction is over 49% complete. All five of the Urban Water Supply contracts have been awarded and work is underway with progress as follows: Package 1 - 90.1%, 2 - 0%, 3 - 2%, 4 - 97.5%, 5 - 24%. All three Phases of the Rural Water Supply project are in progress with Phase A at 71%, Phase B at 20% and Phase C starting construction.</p>	<p>PROJECT ACHIEVEMENTS</p> <p>Construction is underway on the Metolong Water Treatment Works and all five Urban Water Supply Projects with works nearing completion on Packages 1 and 4. All three Phases of the Rural Water Supply project are in progress.</p>																																																				

Health Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES [†]	
	\$121,377,822	\$101,338,598	\$81,044,781	
<p>This project is designed to mitigate the negative economic impacts of poor maternal health, HIV/AIDS, tuberculosis (TB), and other diseases by substantially strengthening Lesotho's health care infrastructure and health system: capacity of health care workers (HCWs), national health informatics system, de-centralization of health, research and medical waste management.</p>				
	<p>Projected Long-Term Results (Up to 20 years)</p>			
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	PROJECTED RESULTS BY END OF COMPACT	PROGRESS TO DATE	PROJECT ACHIEVEMENTS
752,003	\$142,000,000	Up to 138 health centers and 14 out-patient departments renovated; Strengthened and mainstreamed HIV/AIDS and TB services; Construction of a new central lab, new health training college dormitory and mentor housing, and blood facility; Strengthened health systems and improved medical waste management.	Design and construction on Health Centers (HCs), Outpatient Departments (OPDs), Botsabelo (blood transfusion center, student, staff dormitories) underway with HCs: 67%; OPDs: 98%; Botsabelo: 99% complete. Medical waste system pilot and de-centralization launched and underway; Electronic Medical Records system rolling out in OPDs; and targets for improved technical and managerial skills via training have been exceeded.	Construction of the National Reference Laboratory was completed and handed over in January 2012. The 14 Out-Patient Departments are nearing completion. Construction and rehabilitation of Health Centers are underway. Electronic Medical Records successfully piloted, substantial capacity built within Ministry of Health and Social Welfare to oversee research agenda, and training targets have been significantly exceeded.

Private Sector Development Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES [†]	
	\$27,386,469	\$23,739,329	\$17,273,437	
<p>This project is designed to increase private sector economic activity in Lesotho by improving access to credit, reducing transaction costs, and increasing the participation of women in the formal economy.</p>				
	<p>Projected Long-Term Results (Up to 20 years)</p>			
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	PROJECTED RESULTS BY END OF COMPACT	PROGRESS TO DATE	PROJECT ACHIEVEMENTS
368,319	\$60,000,000	Credit bureau established; Regularization and registration of 55,000 land parcels; Increased commercial dispute resolution; Gender equality program implemented.	Since the introduction of streamlined land administrative procedures, the time required to conduct a land transfer has decreased from 101 days to 61 days. As a result of the compact the time required to resolve commercial disputes has also decreased from 962 to 343 days. In addition, 4,331 parcels have been registered under the Land Regularization Activity.	Women granted the right to own property through passage of the Legal Capacity of Married Persons Act. The Land Administration Authority (LAA) was legally established through passage of the LAA Act in June 2010, and is now fully operational. Data Privacy Bill and the Credit Bureau Bill were passed and published. Commercial court established and mandatory court-annexed mediation of civil and commercial cases supported by compact investments.

Please note: Health and water "Progress to Date" sections reflect data through September 30, 2012, which were reported in December 2012.

[†]Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.

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